GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

UNSTARRED QUESTION NO:1337
ANSWERED ON:07.12.2015
DA for Pensioners under PF
Arunmozhithevan Shri A.;Maragatham Smt. K.;Puttaraju Shri C.S.

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a)whether the Government has implemented the decision to increase the minimum pension under Employees Provident Fund (EPF) Pensions;
(b)if so, the details thereof and if not, the reasons therefor;
(c)whether the Government proposes to make proportional increase to the pensioners who are getting more than Rs. 1000;
(d)if so, the details thereof; and
(e)whether the Government has also any proposal to pay pensions with
Dearness Allowance (DA) to pensioners under EPS 1995 and if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI BANDARU DATTATREYA)
(a): No, Madam. The minimum pension for pensioners under Employees' Pension Scheme (EPS), 1995 remains at Rs. 1000/- per month.
(b): The Union Cabinet in its meeting held on 29.04.2015 has approved continuation of minimum pension of Rs. 1000/- per month under EPS, 1995 beyond 2014-15 in perpetuity with certain conditionalities. The deductions on account of benefits availed by pensioners on the basis of choice exercised at the time of making claim like Commutation, Return of Capital and Short Service Pension are continued to be applied on the minimum pension amount.
(c): No, Madam.
(d): Does not arise in view of reply to part (c) of the Question above.
(e): There is no proposal under consideration at present for providing inflation-linked Dearness Allowance (DA) to pensioners of EPS, 1995. The issue of index-linking of pension by fully neutralizing inflation was considered by the Expert Committee constituted by the Government in the year 2009 for review of EPS, 1995 and the same was found not feasible in the case of a funded scheme like EPS,1995. In EPS, 1995, the contribution of the employer and Government is at a fixed rate of 8.33 per cent and 1.16 per cent respectively. Therefore, the value of benefits cannot be left open-ended by linking it with inflation which is variable.
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